



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

SEP 26 2012

The Honorable Steny H. Hoyer
U.S. House of Representatives
Washington, D.C. 20515-05020

Dear Representative Hoyer:

Thank you for your August 31, 2012 letter regarding settlement discussions with the Burch Oil Company. Our discussions with the company concern alleged violations of Underground Storage Tank (UST) regulations, pursuant to the Resource Conservation and Recovery Act (RCRA) at two Burch Oil facilities.

During September 2010, the U.S. Environmental Protection Agency (EPA) inspected three Burch Oil facilities for compliance with UST regulations: 301 BP, located in Waldorf, Maryland; Mechanicsville Burchmart, located in Mechanicsville, Maryland; and Bryans Road Plant, located in Bryans Road, Maryland. Based on those inspections and subsequent information gathering, we identified a number of potential violations at two facilities. The violations included failure to monitor for leaks from tanks and piping, as well as the failure to prevent tank corrosion by maintaining cathodic protection systems.

Based on the evidence and information gathered, EPA determined that seeking an administrative penalty was the appropriate response. In February 2012, we initiated pre-filing settlement negotiations with Burch Oil with the goal of settling the matter without the need for protracted litigation.

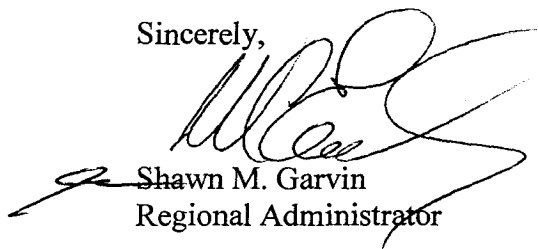
Enforcement of the nation's environmental laws is an important component of EPA's mission to protect public health and the environment. Under a long-standing agency policy, EPA staff cannot comment on ongoing settlement negotiations of enforcement matters. The policy's purpose is to maintain the confidentiality of our enforcement process and to conduct the Agency's enforcement efforts in a professional manner.

In our enforcement cases, EPA is committed to fair and equitable settlements in accordance with the law. In this instance, as in all of our cases, EPA is willing to negotiate a settlement amount that takes into account the statutory factors and EPA penalty policies.

In your letter, you noted that EPA's Audit Policy allows us to work with businesses to discover and disclose environmental violations. It is true that the Policy in certain circumstances allows EPA to mitigate the gravity-based portion of a civil penalty for businesses that act to correct such violations. However, this Audit Policy provision only applies to violations that a business or other entity discloses as a result of a self-audit, not in relation to violations that are discovered as a result of an EPA inspection (See 65 Fed. Reg. 19626).

If you have any questions, please do not hesitate to contact me or have your staff contact Mrs. Linda Miller, EPA's Maryland Liaison, at 215-814-2068.

Sincerely,

A handwritten signature in black ink, appearing to read 'Shawn M. Garvin', is written over the typed name. The signature is fluid and cursive, with a long horizontal stroke extending to the left.

Shawn M. Garvin
Regional Administrator